



March 13, 2014

Appropriations Committee

Senator Beth Bye  
Representative Toni Walker  
Senator Rob Kane  
Representative Craig Miner

Members of the Committee:

The MetroHartford Alliance serves as the Region's economic development leader and the City's Chamber of Commerce, and our investors include businesses of all sizes, health care providers, institutions of higher education, and the Region's municipalities. Our mission is to ensure that the Region competes aggressively and successfully for jobs, capital, and talent so that it thrives as one of the country's premier places for all people to live, work, play, and raise a family. The Connecticut Insurance and Financial Services Cluster, an initiative of the Alliance, focuses on ensuring the sustained growth and employment expansion of Connecticut's insurance and financial services companies, one of the State's most important employer sectors, and on promoting Connecticut's brand as the insurance capital of the world.

A key factor in private sector decisions on where to retain and increase employment is the transparency and predictability of state budgets. Accordingly, we write in opposition to the proposed budget revisions in SB No. 21 that include an assessment on health insurance providers and third-party administrators to fund the Office of Health Advocate and the development and implementation of the State Innovation Model ("SIM"). Section 26 of SB No. 21 would establish a new "state innovation model fee" to be added to the already existing "health and welfare fee" which was adopted in 2006 to fund the state's Immunizations Services program.

The Immunizations Services program is currently funded at \$31.3 million through an assessment on health insurance plans and providers. The additional revenue expected to be raised through the proposed SIM fee would be \$3.2 million.

To the extent that the incremental \$3.2 million is required to implement SIM, we urge that it be debated in the context of the appropriation and funding of the General Fund. Doing so will ensure greater transparency and facilitate the transformation of the healthcare delivery system from a fee for service to a value based payment that will benefit consumers, providers, government programs, and commercial payers.

If you have any questions or require more information, please contact either one of us. We thank you for your consideration.

Sincerely,

Oz Griebel

A handwritten signature in cursive script, appearing to read "Oz Griebel".

President and CEO  
MetroHartford Alliance

Susan Winkler

A handwritten signature in cursive script, appearing to read "Susan C. Winkler".

Executive Director  
Connecticut Insurance and Financial Services Cluster